



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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FDIC Announces Settlement With Citizens Bank of Pennsylvania, Philadelphia, Pennsylvania, for Deceptive Practices

FOR IMMEDIATE RELEASE

The Federal Deposit Insurance Corporation (FDIC) announced a settlement with Citizens Bank of Pennsylvania, Philadelphia, Pennsylvania (CBPA), for deceptive practices in violation of Section 5 of the Federal Trade Commission Act (Section 5). Under the settlement, CBPA has agreed to an Order for Restitution and Order to Pay Civil Money Penalty (Order). The Order requires CBPA to pay a civil money penalty of \$5.0 million and provide restitution of approximately \$1.4 million to more than 75,000 affected consumers.

The FDIC determined that CBPA engaged in deceptive practices in violation of Section 5 in the marketing and implementation of its overdraft payment program, checking rewards programs, and stop-payment process for preauthorized recurring electronic funds transfer. The Order, in part, requires CBPA to correct the violations of law, ensure future compliance, and prepare and implement a comprehensive restitution plan for all consumers adversely affected by the violations. The restitution timeframe extends between January 2008 and November 2011. CBPA will send reimbursements without requiring any action by affected consumers.

This action is being taken in coordination with the separate action of the Office of the Comptroller of the Currency against RBS Citizens, N.A., an affiliate of CBPA, for similar violations of Section 5 of the FTC Act.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-35-2013

In agreeing to the issuance of the Order, CBPA does not admit or deny any liability. A copy of the FDIC's Order issued against CBPA is attached.

Attachment:

Order for Restitution and Order to Pay Civil Money Penalty- PDF (PDF Help)

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